

Transition Plan: Idaho Department of Finance

Current Regulated Lender and Payday Lender Company Licensees:

Companies holding any of the license types noted below are able to submit a license transition request through NMLS by filing a Company Form (Form MU1) and a Form MU2 for each of their control persons by the dates specified below:

- Regulated Lender License (RRL or RTL license prefix)—**May 31, 2014**
- Payday Lender License (RPD license prefix)—**May 31, 2014**

If a Regulated Lender Licensee additionally has a current Regulated Lender Registration approved in NMLS:

- Regulated Lender Registrant (RRL license prefix)—**December 31, 2013**

For each branch holding a Regulated Lender License or registration and/or a Payday Lender License, a company must complete and submit through NMLS a Branch Form (Form MU3) by the dates noted above.

It is important that current licensees have their Idaho license numbers available when completing and submitting their Company Form/Form MU1 as a transition so they are not charged a new application fee.

Any licensee that needs to amend or surrender a license once they have transitioned to NMLS, or needs to complete any other action **previously** submitted in paper form, from transition submission date onward will complete these actions within NMLS.

Note: If you already have a record in NMLS and have submitted these electronic forms in the past you *do not need to re-enter your company information* into NMLS. You will only need to identify the business activities your company conducts, the states in which the various activities are conducted and apply for the appropriate license(s) in Idaho and complete a few state specific fields and/or document uploads.



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DEPARTMENT OF FINANCE

C.L. "BUTCH" OTTER
Governor

GAVIN M. GEE
Director

TO: All Licensed Regulated Lenders and Payday Lenders

FROM: Idaho Department of Finance

RE: NMLS Expansion Opportunity

DATE: August 8, 2013

The Idaho Department of Finance is proud to announce that starting September 1, 2013, it will begin offering NMLS to regulated lender and payday lender licenses as an *optional* license management tool. Through NMLS, your company will be able to apply for, amend, and renew its license authority conveniently and safely online. The purpose of this letter is to provide you with important information to help you prepare to use NMLS, if you so choose.

NMLS is a secure, web-based system created by state regulators to provide efficiencies in the processing of state licenses and to improve supervision of state regulated industries. Through NMLS, companies maintain a single record which they use to electronically apply for, maintain, renew, and surrender license authorities in one or more states. This means companies will no longer have to assemble paper applications and packages for the various NMLS-participating states in which they conduct business. More information about NMLS can be found at the following URL address: <http://mortgage.nationwidelicensingsystem.org/Pages/default.aspx>.

Managing Your License on NMLS

Each company holding an Idaho regulated lender and/or payday lender license that wants to manage its license on NMLS, must create a company record in the system for the company and for each branch holding a regulated lender and/or payday branch license. Once the company and branch forms have been completed, they will be able to be submitted electronically through NMLS to the Idaho Department of Finance starting on September 1, 2013. This is referred to as a record and license *transition*.

NMLS is available **now** for you to create and begin completing your record.

Completing and submitting your records (*transitioning*) through NMLS will take the place of the annual renewal process in NMLS which begins November 1, 2013. When the company and branch records and transition are approved by the Department the license approval date will reflect an expiration date of December 31, **2014**. Therefore, a prorated renewal fee for the period June 1, 2014 through December 31, 2014 will be collected at the time of filing the company and branch records. Companies that transition to NMLS will renew their licenses electronically on an annual basis by December 31st rather than the May 31st date in the Idaho Credit Code.

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However, annual reports will still be required to be filed directly to the Department (outside of NMLS) no later than May 31st each year. A copy of the Idaho Department of Finance transition plan is attached and can also be found on the NMLS Resource Center at <http://mortgage.nationwidelicensingsystem.org/Pages/default.aspx>

How to Access NMLS

In order to gain access to NMLS for the first time you must complete a ***Company Account Request Form*** and identify a *Primary Account Administrator* and a *Secondary Account Administrator*. This form can be submitted electronically through the NMLS website (see the web address above) in the “**Getting Started**” section. This form needs only to be submitted once per company, regardless of the number of NMLS participating states in which you are licensed. **IF YOUR COMPANY ALREADY HAS A RECORD IN NMLS, such as the Idaho Regulated Lender Registrant or due to the requirements of another state in which your firm conducts business regardless of the license type, THEN YOU DO NOT NEED TO DO THIS STEP.**

Once you complete and submit this form, the *Primary Account Administrator* will receive NMLS login information within three business days. The *Primary Account Administrator* for your company will have full rights to (1) access the System, (2) submit information to the Idaho Department of Finance and other participating state regulators, and (3) set-up other company users in the System. Instructions and tutorials on how to access and use the System are also available on the NMLS Resource Center. Questions on navigation in NMLS, location of NMLS resources or any problems encountered can be resolved by calling the NMLS Call Center at **(240) 386-4444**. Questions regarding state license requirements or issues not directly related to NMLS navigation or resources should be directed to the Idaho Department of Finance licensing section at (208) 332-8002.

Forms to Complete and Fees

Once you are able to access NMLS, you will need to submit the following through NMLS to the Idaho Department of Finance. Instructions and tutorials on how to complete these forms are available online at the Resource Center listed below under NMLS Website.

1. ***Licensed companies*** submit a NMLS Company Application (much like the Idaho paper version ICC1);
2. Companies submit for each ***Control Person*** (such as an executive officer, qualified individual and branch manager) an NMLS Biographical Statement and Consent Form, as part of its company filing. (much like the Idaho paper version ICC2);
3. Companies submit for each ***Licensed Branch*** an NMLS Branch Application (much like the Idaho paper version ICC3).

You may begin completing these forms prior to September 1, 2013, but will not be able to submit them to the Idaho Department of Finance until that date.

If you have submitted these forms to another state, or to Idaho as a Regulated Lender Registrant, then you ***do not need to re-enter your company or branch records*** into NMLS. You will only need to identify the appropriate license type (Regulated Lender and/or Payday Lender) in Idaho and complete a few state specific fields and any updates that may be needed.

Costs

NMLS will annually charge a processing fee of \$100 per company license type (*e.g. regulated lender and payday lender are two separate license types*) and \$20 per licensed branch location per license type (*one branch with both regulated lender and payday lender licenses would be charged for each license type*) renewed through the system. There is no processing fee for submitting a new application or transitioning an existing license onto NMLS. However, since companies transitioning on or after September 1 will not be part of the annual renewal process in 2013, the fee that would have been collected at renewal for calendar year 2014 will be collected during transition with the pro-rated 2014 renewal fees. Processing fees will not be collected again until renewal of licenses at the end of 2014 for calendar year 2015. Payment options for new applications, license renewals and system fees include ACH and credit card functionality.

There are no other NMLS processing fees. These processing fees pay for NMLS' operations, including licensee system access 362 days per year, ability to maintain, renew and run reports on your licenses, and NMLS Call Center support. Additionally, unlike some states, Idaho does not assess fees for filing any changes in NMLS such as name changes, address changes, or adding/deleting other trade names.

NMLS Website

The NMLS Resource Center <http://mortgage.nationwidelicensingsystem.org/Pages/default.aspx> provides (i) step-by-step instructions on how to access the system, (ii) guides on how to complete the forms, (iii) each state's transition plans and requirements, (iv) tutorials, (v) current and future participating states, (vi) system alerts, (vii) system processing fees, and (viii) general background information.

Consumer Access Website

The Consumer Access Website, located at <http://www.nmlsconsumeraccess.org> is a free service for consumers to confirm that a financial-services company or professional with whom they wish to conduct business is authorized to conduct business in their state. The site provides certain public information from licensee records, much like that which is currently displayed on the Idaho Department of Finance website, allowing consumers to verify not only the company's ability to offer services in Idaho, but for any state for which the company is authorized to offer its services.

If you have any questions feel free to contact K.C. Schaler at (208) 332-8064 or by email at ICCmail@finance.idaho.gov.